



**State of Arizona**

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## **Statement by Governor Jan Brewer**

### *State Management of Medicaid*

"The Arizona Court of Appeals today heard arguments in the case challenging steps that I and the Legislature have taken to reform the state's Medicaid program.

"Simply put, this case is about maintaining the right of Arizona's duly-elected officials to manage Medicaid in a way that is fair to both enrollees and taxpayers. Medicaid spending is the biggest single factor driving our state budget crisis. Medicaid's explosive growth, nearing 65 percent over the past four years despite ongoing attempts to stem its increases, is simply unsustainable and threatens to consume the other core functions of state government. We simply cannot afford it.

"My reform plan, adopted this year, charts a sustainable course for Medicaid by cutting costs, freezing enrollment where possible and implementing co-pays and other provisions common in the private insurance marketplace. Meanwhile, the plan maintains coverage for existing enrollees and preserves the program for Arizona's most needy.

"As always, I am mindful of the very real impacts of these reductions. But given our future budget outlook and the solutions enacted to date, I feel this is Arizona's best option to restore our fiscal stability and achieve a Medicaid program that is sustainable.

"I wholeheartedly agree with the trial court's earlier decision that the Legislature maintains its discretion in the funding of Medicaid. I am confident the Arizona Court of Appeals will come to the same conclusion, and I look forward to moving forward with our reform efforts."

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